

County Tax Worksheet

Use to figure your county tax for the Online IT-9 Worksheet

SECTION 1: To be completed by those taxpayers who were residents of an Indiana county that has adopted a county income tax.

Taxpayer: Locate your county of **residence** as of January 1 from the chart on page 5.

Name of county:

Spouse: Locate your county of **residence** as of January 1 from the chart on page 5.

Name of county:

1. Enter the amount from line 3 of the Online IT-9 Worksheet.
Note: If both you and your spouse lived in the same county on January 1, enter the entire amount from the Online IT-9 Worksheet, line 3 on line 1A only. See instructions on page 2

2. Enter the resident rate from the county tax chart on page 5 for the county(s) shown above

3. Multiply line 3 by the rate on line 4.

4. Add lines 3A and 3B. Enter here and on line 5 of the Online IT-9 Worksheet

Column A - Yours

Column B - Spouse's

1A		1B	
2A		2B	
3A		3B	
		4	

SECTION 2: To be completed by those taxpayers who, on January 1, were *residents* of a county that *has not* adopted a county income tax, but *worked* in an Indiana county that *has* adopted a county income tax.

Taxpayer: Locate your county of **principal employment** as of January 1.

Name of county:

Spouse: Locate your county of **principal employment** as of January 1 from the chart on page 5.

Name of county:

1. Enter your principal employment income by entering the total income from your W-2s, net self-employment income (from Federal Schedule C or C-EZ) and/or farm income (from Federal Schedule F). If you worked two or more jobs *at the same time*, enter the portion you earned from your main job. See page 3 for further Section 2 instructions
2. Enter any amounts for payments made to self-employed retirement plans, IRA's, etc. See page 4 for the complete list of allowable deductions and further instructions
3. Subtract line 2 from line 1
4. Enter some or all of the exemptions from line 2 of the Form IT-9 Worksheet (see instructions on page 4)
5. Subtract line 4 from line 3
6. Enter the nonresident rate from the county tax rate chart on page 5 for the county number shown above under the Section 2 heading
7. Multiply the income on line 5 by the rate on line 6
8. Enter total of 7A plus 7B. Add to any Section 1, line 4 amount, and carry to line 5 of the Online IT-40 Worksheet

Column A - Yours

Column B - Spouse's

1A		1B	
2A		2B	
3A		3B	
4A		4B	
5A		5B	
6A		6B	
7A		7B	
		8	

County Tax Worksheet Instructions

If, on January 1, you and your spouse (if filing a joint return) lived and/or worked in an Indiana county that has a tax, you must complete the county tax worksheet to figure your county tax.

A county has a tax if it has tax rates next to its name on the chart on page 5.

Note: If the county on the chart has the initials "NA" in the rate columns, it doesn't have a county tax.

County Where You Lived Defined

The county where you lived is the county where you maintained your home on January 1. If you had more than one home in Indiana on this date, then your county of residence as of January 1, was:

- a) where you were registered to vote. If this did not apply, then your county of residence was:
- b) where your personal automobile was registered. If this did not apply, then your county of residence was:
- c) where you spent the majority of your time in Indiana during the year.

If you moved to another Indiana county after January 1, the county where you lived for tax purposes will not change until next year.

- If, on January 1, you lived in a county that has a tax, then you will owe county tax on all of your Indiana adjusted gross income.
- If, on January 1, you lived in a county that doesn't have a tax, then county tax will be figured on your income from your principal employment if the county where you worked on January 1, 2003, has a tax (see definition below).

County Where You Worked Defined

The county where you worked (county of principal employment) is the county where your main place of business was located or where your main work activity was performed on January 1. If you began working in another county after January 1, the county where you worked for tax purposes *will not change until next year*.

If you had more than one job on January 1, your principal place of employment is the job where you worked the most hours and earned the most income.

Principal Employment Income

You must figure your principal employment income only if, on January 1, you *lived* in a county not having a tax but *worked* in a county that *did* have a tax. Your principal

employment income is income you earned from your main work activity (job) for the entire year. See instructions for Section 2, line 1 on page 3 for more information.

Military Personnel

If you were stationed in Indiana, your county of residence is the county where you lived on January 1 of the year you entered the military service. If, on January 1, you were stationed *outside* of Indiana and your family was with you, you won't owe a county tax.

If, however, you maintained your home in an Indiana county and/or your spouse and a family were still living in an Indiana county on January 1, you are considered to be a resident of that county and will be subject to county tax.

Special Note to Married Taxpayers Filing a Joint Return

- If you lived in different counties on January 1, both of you need to figure your county tax separately on Section 1.
- If both of you lived in a county on January 1, that had no tax but worked in a county that did have a tax, you must figure your tax separately on Section 2.
- If only one of you is subject to county tax, then you may use all of the exemptions you are eligible to claim, *except for your spouse's*, to figure your tax.

Section 1: Line-by-line Instructions

Where Did You Live?

• Did you live in a county on January 1, that has a tax? If yes, complete Section 1 for yourself, and skip Section 2. If your answer is no, skip Section 1 and go to Section 2: Line-By-Line Instructions.

• Did your spouse live in a county on January 1, that has a tax? If yes, complete Section 1 for your spouse, and skip Section 2. If your answer is no, skip Section 1 and go to Section 2: Line-By-Line Instructions.

Important: You must complete lines 1 - 3 on the Online IT-9 Worksheet before beginning Line 1.

Line 1

- If you are filing a single return or are married filing separately, enter in Column A the state taxable income from line 3 of the Online IT-9 worksheet.

- If you are filing a joint return and you both lived in the same county on January 1, enter in Column A the state taxable income from line 3 of the Online IT-9 Worksheet. Leave Column B blank.

- If you are filing a joint return and you and your spouse lived in different counties on January 1, enter each person's share of state taxable income from the Online IT-9 Worksheet, line 3, in the appropriate columns.

Example 1 - Simon and Tina married during the tax year and are filing a joint return. On January 1, Simon lived in Greene County and Tina lived in Clay County. Their Online IT-9 Worksheet line 3 income of \$36,300 includes the following breakdown:

Simon: \$ 20,000 wages
+ 150 (1/2 joint interest income)
- 1,000 exemption
\$ 19,150 income for CT-40 Section 1,
line 1, Column A

Tina: \$ 18,000 wages
+ 150 (1/2 joint interest income)
- 1,000 exemption
\$ 17,150 income for CT-40 Section 1,
line 1, Column B

Example 2 - The circumstances are the same as *Example 1* except Tina lived in Sullivan County, which does not have a county tax. Simon would still enter his \$19,150 share of the Online IT-9 Worksheet, line 3 amount on Section 1, line 1 Column A. However, Column B will be left blank since Tina won't owe a county tax.

Line 2

Find your county on the County Income Tax Chart on page 5. Find the rate from the *Resident Rate* column and enter it here.

Section 2: Line-by-line Instructions

Complete Section 2 if, on January 1:

- you were a resident of a county not having a county tax, but
- you worked in a county that does have a county tax.

Line 1

Enter your principal employment income for the year. This includes income from wages, tips, salaries and commissions, net self-employment income from federal Schedule C/C-EZ and/or net farm income from federal Schedule F. **Do not** include passive source income like nonbusiness interest and dividends, pensions, capital gains, farm rental, etc. Also, do not include income from a part-time job if you have it at the same time you have a full-time job.

Example 3 - During the tax year Jake received income from the following sources:

- \$15,000 from his full-time job (held for the entire year);
- \$1,850 from his part-time job;
- \$50 nonbusiness interest income; and
- \$800 pension income.

The principal employment income he will enter on line 1 is \$15,000.

If you had more than one job at different times during the year (not including part-time employment), add the income from those jobs and enter here.

Example 4 - During the tax year Sarah earned \$7,000 from her job, which she worked from January 1 through April 30. She began her new job on May 14 and worked through year's end, earning \$11,000. She should enter the \$18,000 combined amount here.

If you worked two or more jobs at the same time, enter the portion you earned from your main job.

Example 5 - Daniel had two jobs at the same time. On Job #1 he worked 30 hours a week and earned \$270 a week. On Job #2 he worked 10 hours a week and earned \$80 a week. Daniel should enter the amount he earned from Job #1 as his principal employment income.

Line 2

You may use certain deductions to lower the amount of income to be taxed. **These deductions must have been claimed on your federal tax return and/or on Indiana Schedule 1, and must have a direct relationship to the income being taxed on line 1.**

Example 6 - Ann is a full-year Indiana resident. Her only income was \$21,000 in wage income, which she reported on line 1. She claimed a \$2,000 IRA deduction on her federal Form 1040. She should claim the \$2,000 IRA deduction on this line.

Example 7 - Morgan lived and worked in an enterprise zone and is entering her \$17,000 wage income from that zone on line 1. She claimed a \$7,500 enterprise zone deduction on Indiana Schedule 1, line 15. She should claim that \$7,500 deduction on line 2.

These deductions are limited to the following: payments made to IRA accounts or self-employed retirement plans; medical savings account deduction; moving expense deduction; * self employment tax deduction; Keogh, self-employed SEP and SIMPLE plans; active military pay deduction; enterprise zone deduction; and the educator expense adjustment.

* The moving expense deduction will be allowed only to the extent that the income earned from that move is being taxed on Section 2, line 1.

Example 8 - Tim and Jane file a joint tax return and live in a county that does not have a tax. Jane does not owe county tax, but Tim does because his business is in a county having a tax. She has a \$21,000 wage income and a \$1,400 moving expense. Tim has \$23,000 net income from his photography shop and claimed a \$700 self employed SEP deduction. He'll enter his \$23,000 income on line 1 of Section 2 and the \$700 SEP deduction on line 2 of Section 2. He's not eligible to take the moving expense deduction because the wage income that it is in relation to is not being taxed for county tax purposes.

Line 4

If you are filing a single or married filing separately tax return, enter your total exemptions from the Online IT-9 Worksheet, line 2. Note: You cannot claim your spouse's exemption. Exemptions for dependents can be claimed by either spouse, as long as the total of line 4, Columns A and B, is not greater than line 2 on the Online IT-9 Worksheet.

Example 9 - On January 1 Jack and Sue lived in a county that does not have a tax. Jack worked in a county that does have a tax. They claimed \$4,500 in total exemptions (\$1,000 each plus \$1,000 plus \$1,500 for their dependent child). Jack is allowed to use \$3,500, or all of the total exemptions except for Sue's personal exemption.

Line 6

Find your county on the *County Income Tax Chart* on page 5. Find the rate from the *Nonresident Rate* column (the second column of rates over) and enter it here.

Line 8

Add the amounts from line 7, columns A and B. Enter the total here and on your Online IT-9 Worksheet, line 5.

Note: If you have figured a tax in Section 1 and Section 2, add amounts from Section 1, line 4 and Section 2, line 8, and enter on your Online IT-9 Worksheet, line 5.

The county tax rates are on the next page ➡

2003 Indiana County Income Tax Rates and County Codes

*These rates have changed from last year's chart.

County Code #	County Name	Resident Rate	Nonresident Rate
01	Adams	.01062*	.00612*
02	Allen	.01	.0055
03	Bartholomew	.01	.0025
04	Benton	.0125	.005
05	Blackford	.0125	.005
06	Boone	.01	.0025
07	Brown	.0125	.005
08	Carroll	.011	.0035
09	Cass	.01375*	.00625*
10	Clark	.00625*	.00375*
11	Clay	.01125*	.0025
12	Clinton	.0125	.005
13	Crawford	.01	.005
14	Daviess	.0125*	.0025
15	Dearborn	.006	.0015
16	Decatur	.0125	.005
17	DeKalb	.0125	.005
18	Delaware	.008	.0035
19	Dubois	.01	.0055
20	Elkhart	.01375*	.005
21	Fayette	.01185*	.00435*
22	Floyd	.00725*	.006*
23	Fountain	.01	.0025
24	Franklin	.0125	.005
25	Fulton	.013025*	.005525*
26	Gibson	.005	.005
27	Grant	.01125*	.00375*
28	Greene	.01	.0025
29	Hamilton	.01	.0025
30	Hancock	.0115	.004
31	Harrison	.01	.005
32	Hendricks	.0125	.005
33	Henry	.01	.0025
34	Howard	.009	.00375
35	Huntington	.0125	.005
36	Jackson	.0135	.005
37	Jasper	.01	.0025
38	Jay	.0125	.005
39	Jefferson	NA	NA
40	Jennings	.0125	.005
41	Johnson	.01	.0025
42	Knox	.00625*	.004375*
43	Kosciusko	.01	.00475
44	LaGrange	.0125	.005
45	Lake	NA	NA
46	LaPorte	.0095	.007
47	Lawrence	.01	.0025
48	Madison	.01	.0025
49	Marion	.007	.00175
50	Marshall	.01125*	.0025
51	Martin	.01	.004

County Code #	County Name	Resident Rate	Nonresident Rate
52	Miami	.00945*	.00495*
53	Monroe	.01	.0025
54	Montgomery	.01	.0025
55	Morgan	.01035*	.00285*
56	Newton	.01	.0025
57	Noble	.0125	.005
58	Ohio	.01	.0025
59	Orange	.0125	.005
60	Owen	.0125	.005
61	Parke	.0125	.005
62	Perry	.01	.00625
63	Pike	.004	.004
64	Porter	.00125*	.00125*
65	Posey	NA	NA
66	Pulaski	.0164*	.0059*
67	Putnam	.0125	.005
68	Randolph	.015	.0075
69	Ripley	.0125	.005
70	Rush	.0125	.005
71	St. Joseph	.008	.0035
72	Scott	.0108*	.0033*
73	Shelby	.0125	.005
74	Spencer	.008*	.00575*
75	Starke	.01	.0075
76	Steuben	.0125	.005
77	Sullivan	NA	NA
78	Switzerland	.01	.0025
79	Tippecanoe	.01	.0055
80	Tipton	.0125	.005
81	Union	.015*	.005
82	Vanderburgh	.01	.0025
83	Vermillion	.001	.001
84	Vigo	.00625*	.005*
85	Wabash	.01375*	.00625*
86	Warren	.0125	.005
87	Warrick	.005	.005
88	Washington	.01375*	.00625*
89	Wayne	.015	.005
90	Wells	.0135*	.006*
91	White	.0125	.005
92	Whitley	.012	.0045
00 All Other States except the following:		New Counties to adopt a tax:	
94	Illinois	10	Clark
95	Kentucky	64	Porter
96	Michigan	84	Vigo
97	Ohio		
98	Pennsylvania		
99	Wisconsin		